SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

AB 338 (Solache) - Workforce development: the Counties of Los Angeles and

Ventura: 2025 wildfires

Version: May 23, 2025 **Policy Vote:** L., P.E. & R. 5 - 0

Urgency: Yes Mandate: No

Hearing Date: August 29, 2025 **Consultant:** Robert Ingenito

Bill Summary: AB 338 would require the California Workforce Development Board (CWDB), upon appropriation of funds, to allocate funds to the Los Angeles County Department of Economic Opportunity and the Economic Development Collaborative for workforce strategies to ensure a skilled and sufficient workforce for the scale of rebuilding and recovery of areas in the counties of Los Angeles and Ventura impacted by the 2025 wildfires, as specified.

****** ANALYSIS ADDENDUM - SUSPENSE FILE ********

The following information is revised to reflect amendments adopted by the committee on August 29, 2025

Fiscal Impact:

- The enacted 2025-26 state budget (AB 102, Control Section 19.56) allocates \$5 million to CWDB to support workforce development in areas of Los Angeles County and Ventura County impacted by wildfires (General Fund).
- CWDB indicates that it would incur annual costs in the low hundreds of thousands of dollars annually each of the next three years to administer the allocation. The bill now specifies that CWDB's maximum allowable administrative rate would be 5 percent of the allocated funds, or \$250,000 total. Thus, the bill would result in a cost pressure for the remainder of CWDB's administrative costs.
- The bill could result in costs to the Department of Consumer Affairs and other applicable state licensing and certification entities to provide individuals with expedited licensing and certification. The magnitude is unknown, but probably minor.

Author Amendments:

- Clarify that \$5 million was appropriated in the 2025-26 budget to support workforce development related to the 2025 wildfires in Los Angeles and Ventura Counties.
- Require CWDB to allocate the \$5 million to the Los Angeles County Department
 of Economic Opportunity, and further require that entity to reallocate \$600,000 to
 the Economic Development Collaborative, as specified.
- Increase CWDB's administration cap from two percent to five percent.

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• Provide that the bill's licensing and certification would be done only if feasible.

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